

IN THE DISTRICT COURT OF THE UNITED STATES FOR
THE DISTRICT OF OREGON.

THE UNITED STATES OF AMERICA, PETITIONER,

VS.

AMERICAN TELEPHONE AND TELEGRAPH COMPANY, ET AL.,
DEFENDANT.

Equity No. 6082.

ORDER MODIFYING DECREE.

The Pacific Telephone and Telegraph Company, a corporation, one of the defendants in the above entitled action (herein called Pacific Company), having filed herein on the 24th day of June, 1914, its application for a modification of the decree entered herein on the 26th day of March, 1914, so as to permit the consolidation by it of the two exchanges now in Spokane, and it appearing that

on the 22nd day of June, 1914, the City Council of the city of Spokane, the governing body of said city, adopted a resolution, copy of which is attached to said application, by the terms of which the said City Council decided that it is for the best interests of the inhabitants of Spokane that there be but one telephone system therein, and gave its consent to the consolidation of the two exchanges now in said city as and upon the conditions in said resolution set forth;

And it appearing that an ordinance granting the telephone franchise in said resolution referred to was on the 24th day of August, 1914, passed and accepted by The Pacific Telephone and Telegraph Company, and good cause appearing therefor, a copy of which ordinance is now herewith filed and made a part of the record;

It is ORDERED that the decree entered herein on the 26th of March, 1914, be, and the same is hereby so modified as not to require the sale or transfer by the defendants of the stock, bonds or other obligations of the Home Telephone Company of Spokane (herein called Home of Spokane), now owned or in anywise controlled by them or any of them, and so as to permit the defendants to retain any interest in said Home of Spokane now owned or controlled by them, and the acquisition of such further interest therein as may to them seem advisable, and so as to permit the two exchanges now in Spokane to be consolidated and owned by The Pacific Company.

This modification is granted upon the terms and conditions specified in section eleventh of said decree, which will permit the patrons of the Interstate Telephone Company, Limited (herein called the Interstate Company), in Idaho and Washington to interchange communication not only with all the patrons of the Home of Spokane, but also with all the patrons of the Spokane exchange of the Pacific Company, thus preserving and intensifying competition in long distance business between the Interstate Company and the Pacific Company; and to this end the Pacific Company is ordered and directed at any time after twenty days from the date of this order, upon application

to it by the proper party, to prepare, and upon the acceptance thereof by said party, to execute and carry out a contract obligating the Pacific Company to make arrangements for a connection by means of trunk lines between the toll board of the Interstate Company and the consolidated exchange of the Pacific Company in Spokane, whereby patrons of the Interstate Company and patrons of the Pacific Company may exchange communication at rates and under other conditions substantially similar to those under which patrons of the Pacific Company obtain corresponding service over the long distance lines of that company, and whereby a patron of the Pacific Company in Spokane desiring to use long distance lines shall be connected by its "A" operator with the station of the recording operator of the company whose lines he specifies; but if he expresses no choice he shall be connected with the recording operator of the Pacific Company, who shall ascertain the company of his choice, and the call shall be completed over the lines of that company. The Interstate Company may have an employee so equipped and stationed that she can hear all communications of the recording operator of the Pacific Company in handling calls. But neither the Pacific Company nor any of its employees shall connect any of its patrons with its long-distance lines, or with those of the Interstate Company, except in accordance with instructions given in the manner aforesaid; and the Pacific Company, The Mountain States Telephone and Telegraph Company, the other associate companies mentioned in said decree, and the American Telephone and Telegraph Company, their respective officers, directors, agents and employees are hereby perpetually restrained and enjoined from refusing or failing in any respect to maintain said arrangements after they have been established, and from discriminating in any way whatsoever against the Interstate Company in respect of said communication.

It is further ORDERED that this order shall not be construed to affect in any other respect the decree entered

herein on the 26th day of March, 1914, but the same shall
be and remain in full force and effect.

R. S. BEAN,
Judge.

Dated Portland, Oregon, Sept. 7, 1914.
Filed September 7, 1914.

G. H. MARSH,
Clerk.